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ABSTRACT

The most serious problem with the current work force preparation system is that many employment and training programs operate today to serve roughly the same people. Instead, these programs should be coordinated better to lower costs in the face of lowered funding. The General Accounting Office reports that about 125 federal programs do approximately the same thing; others make that number higher, although the reality may be closer to 10 duplicative programs. This situation developed because Congress continually creates new programs to serve one group or another rather than fixing existing programs. Interim measures that would standardize five elements in all of these programs could help now. The five elements are eligibility definitions, annual operating cycles, cost categories, cost limitations, and funding obligation and carryover provisions. Because there is not enough funding to revise all programs completely, five steps could be undertaken to force existing programs into a rational, cost-effective, accountable human resource investment system. The five steps are as follows: (1) develop and require all programs to use a core information system with uniform terms and definitions; (2) capture basic demographic information, record services provided, and report outcomes obtained; (3) set the system up so that all programs could share information and eliminate duplicative data collection; (4) develop a complementary set of results-oriented performance standards that lead to long-term self-sufficiency for all programs in the system; and (5) standardize the fiscal and administrative procedures and cost categories that currently apply to all the programs. These changes would simplify access for clients and vastly simplify the cost of doing business for all programs. (KC)

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Tailoring Programs for a Better Fit
The Key to Coordination

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Viewpoint

The Key to Coordination

TAILORING PROGRAMS FOR BETTER FIT

by Lee Ferrero

There is one serious problem with the current workforce preparation system that is valid: a lot of employment and training programs operate today to serve roughly the same people. This needs to be coordinated better, especially as the federal deficit continues to reduce available dollars on a daily basis.

The General Accounting Office (GAO) says there are roughly 125 federal programs that do approximately the same thing. NBC Dateline says there are more than that. Others point out, in reality, there are about ten duplicative programs. A close inspection reveals that this last statistic may be quite accurate.

We at the local level tend to believe that the criticism is being aimed at us, but we should not feel that way. Congress wrote these laws, we did not. They create new programs annually to address the needs of one group or another that does not seem to be receiving the level of assistance it needs. Rather than fixing existing programs, they simply create a new one that is more targeted. After awhile, there is a perception of "waste, "duplication," and "conflict."

Interim measures might be useful right now. I would support administrative changes (or waivers) that would standardize five elements (at a minimum) in all of these programs, whatever their number. Those elements would be:

1. Eligibility definitions.
2. Annual operating cycles.
3. Cost categories.
4. Cost limitations.
5. Funding obligation and carryover provisions.

First, I will describe these situations and then secondly, I will briefly explain the possible results. The broader debates of reinventing, restructuring, streamlining, and other labels, can continue as they wish. But first, here, I advocate making the existing system work more smoothly for those who deliver the services and those who ask for the services...nothing more and nothing less.

This is not original thinking on my part. The two main sources are footnoted at the end of this article.

Eligibility Definitions

Nine different programs targeting the economically disadvantaged define "low income" six different ways. The same programs count what is considered as income five different ways and have five separate definitions for "family" or "household."

For example, JTPA Title II bases low income on the HHS Official poverty line; food stamp unemployment bases it on 130-percent of the HHS guideline; the Family Self-sufficiency Program defines economic disadvantage as being less than 80-percent of the "area's median income."

JTPA and JOBS view forms of income for individuals in different ways. Unemployment insurance benefits are treated differently by each program. Some programs define a family based upon "relation by blood, marriage, or court decree." The food stamp unemployment and training program defines family as "those who purchase and cook food together."

Age criteria get in the way of coordinated service to youth. Under JTPA summer youth, teens aged 14 to 21 can apply for assistance (likewise for Youth Fair Chance); The same 14- and 15-year-olds do not qualify for JTPA year-round youth programs, Job Corps, or vocational education, which require youth 16 to 21.

This small sample of conditions results in:

- confused and discouraged applicants for service;
- frustrated job training workers trying to help them;
- discouraged local policy-makers who endorse better cooperation among programs.

Annual Operating Cycles

Most programs operate on the basis of a program year, running from July 1 to June 30. Twelve operate on the federal fiscal year (October 1 to September 30). Four operate on an academic year (September 1 to August 31), and two operate on a calendar year.

These conditions result in:

- Lower estimates by program administrators to serve clients from other programs because of uncertain funding stream levels.
- Under-utilization when resources are not known.
- Crisis planning when resources are known.

Cost Categories

The Job Opportunities and Basic Skills Act (JOBS) requires each dollar spent to be identified with ten or eleven programs activities and two different matching rates. JTPA has three specific cost categories. "Support" and "Administration" are defined differently in JTPA and JOBS. JTPA Title III EDWAA has some

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similar, but some different cost categories. The Adult Education Act requires state and local matching. State and local administrative levels vary from each other internally and with other programs externally.

These conditions result in:

- Little or no success in sharing staff and resources.
- Little or no success in local collaboration.
- Tremendous cost in time and money to match services, in order to keep shared spending legal and equitable.

Cost Limitations

JTPA Title IIA and IIC allow up to 20 percent to be spent on administration, and no less than 50 percent on direct training. JOBS does not have cost limitations except as they impact on matching rates. EDWAA has three cost limitations, with administration at 15 percent, not 20 percent... within the same Act. Adult Education Act rules specify a 5 percent cap on administration and a 5 percent cap at the local level but this is subject to negotiations with the state education department.

Perkins Voc-Ed allows 5 percent or $250,000 for state administration, whichever is higher; of that amount, at least $60,000 must be spent for gender equity administration. State and local agencies must match or exceed their expenditures in the previous year.

These conditions result in:

- Confusion in working with partner agencies.
- Inequity in administrative participation when trying to share resources.
- Great difficulty in reporting and accounting for costs of operation with mixed resources.

Funding Obligations and Carryover Provisions

JOBS does not allow funds to be carried over to the next fiscal year, but does allow for obligated funds to be liquid during the twelve months following the end of the fiscal year. The JTPA year is different than the JOBS fiscal year: JTPA gives two additional year to obligate allowable carryovers of up to 15 percent of funds allocated in a specific year. EDWAA allows only 20 percent carryover of the state allotment from one year to the next.

Both the Adult Education Act and Perkins Voc Ed and Applied Technology Act are "forward-funded" because school budgets are prepared about a year in advance. Funds under AEA and Perkins can be carried over for twenty-seven months.

These conditions result in:

- Unpredictable planning periods and dollars available when attempting to "blend" local programs for common clientele.
- Inability to reimburse partner entities without extensive consideration of conflicting rules.
- Under-utilization of already limited administrative resources.

What Does All This Mean?

There is strong sentiment to rebuild the current system from the ground up. The cost of such an undertaking, and the long-term adjustment and confusion that would follow, are collectively prohibitive. If there was simply more funding in the federal budget or less people in need of services, or both, a rebuilding activity might be more realistic.

As an alternative, a sensible and orderly effort should be undertaken to work with the existing collection of programs to form them into a rational, cost-effective, accountable human resource investment system. To accomplish this, these steps could be taken:

1. Develop and require all programs to use a core information system with uniform terms and definitions.

2. Capture basic demographic information, record services provided, and report outcomes obtained.

3. Set the system up so that all programs could share information and eliminate duplicative data collection.

4. Develop a complementary set of result-oriented performance standards that lead to long-term self-sufficiency for all programs in the system.

5. Standardize the fiscal and administrative procedures and cost categories that currently apply to all the programs.

These would require specific statutory waivers. This would irritate "turf-driven" bureaucrats, particularly at the federal cabinet level. It would surely require Congress to act with courage and haste.

But, these changes would also simplify access for our common customers and vastly simplify the cost of doing business for all the "partners" on the operational side of the system. At the same time, the Congress and the Clinton Administration could proceed with a grander design...whenever and wherever it will occur.

In the meantime, all the dialogues and meetings and conferences may be useful, but I believe they overlook the value of critically thinking about what is really needed to cause a change. So far, I think we are talking about symptoms but missing the causes.

Author's note: Special thanks to:

1. General Accounting Office, testimony of Linda Morra before the Senate Labor & Human Resources Subcommittee on Employment & Productivity, 3-10-94.
2. National Association of State Job Training Coordinating Chairs, "Bring Down the Barriers." c. 1993.